

CALIFORNIA HIGH-SPEED RAIL AUTHORITY
MEETING MINUTES
October 1, 2008
FRESNO, CALIFORNIA

The meeting of the California High-Speed Rail Authority was called to order on October 1, 2008 at 9:30AM at the Fresno Board of Supervisors Chambers in Fresno, CA.

Members Present: Quentin Kopp, Chairman
Fran Florez, Vice-Chairman
Rod Diridon, Sr.
Kirk Lindsey
Curt Pringle
T.J. Stapleton
Tom Umberg

Members Absent: David Crane
Lynn Schenk

Opening Comments

Chairman Kopp welcomed Board Members to today's meeting. Chairman Kopp excused the Board to an adjacent room to convene in closed session with legal counsel regarding: Town of Atherton et al. v. California High Speed Rail Authority, Sacramento Superior Court, Case No. 34-2008-80000022.

Chairman Kopp and the Board returned to open session and informed the audience there was a discussion of proceedings in regards to Town of Atherton et al. v. California High Speed Rail Authority, Sacramento Superior Court, Case No. 34-2008-80000022 and attorneys were instructed accordingly.

Approval of Meeting Minutes for the following Authority Meetings:

Chairman Kopp presented the minutes from the September 3rd meetings for approval. Member Umberg moved to approve, Member Pringle seconded. The motion carried 6-0.

Authority Members' Meetings for Compensation

Chairman Kopp presented the list of meetings for compensation for approval. Member Pringle moved to approve the list of meetings for compensation seconded by Member Umberg. The motion carried 6-0.

Member Reports

Chairman Kopp reported the 2008-2009 Budget Act has been enacted which gives the HSR project roughly \$46.5M of which \$29M would come from the bond measure on the November 4th ballot. (Proposition 1A) Chairman Kopp also reported Executive Director Morshed informed contractors that work could now continue.

Executive Director Report

Executive Director Morshed reported:

- Of the \$46.5M in the 08/09 Budget Act, PTA is contributing about \$5.6M, \$3.5M will come from OCTA, \$8.2M from Prop 116, and the balance of \$29.1M is contingent on the passage of Prop 1A.
- In order for the Authority to have access to Prop 116 money, it must first go before the California Transportation Commission (CTC) for approval. Mr. Morshed has enlisted the assistance of Member Lindsey to facilitate getting this item on the CTC's October agenda.
- With the enactment of the 2008/09 budget all work has resumed and Mr. Morshed thanked the contractors for staying with the project through the three month budget crisis.
- The Authority staff are in negotiations on the three Bay Area contracts that were discussed at the last Board meeting. These negotiations should be completed by the December Authority meeting.
- Authority has requested \$124M for FY 09/10 for the continuation of the engineering/environmental studies, as well as financial planning and visual simulation work; all of this work will be funded out of Prop 1A proceeds.
- AB 3034 required the Authority submit an updated business plan by September 1, 2008 which was only 4 days after the legislation was signed. The Legislature was made aware on a number of occasions that without a state budget the Authority could not complete the updated business plan by the deadline and at best could have the business plan completed within 45 days of the enactment of a state budget. Based on the signing of the state budget on September 23rd the deadline for the business plan is now November 8, 2008.
- Lehman Brothers, a sub-consultant of the Financing Team, filed for bankruptcy which caused some employees to be laid off. Authority staff is working with the Financing Team to bring on another investment banking firm.
- The Senate Transportation Committee has scheduled a hearing on October 23rd to discuss the business plan. Executive Director Morshed informed the committee that the business plan would not be complete by that time. He was unsure if the hearing would proceed.
- Mr. Morshed and Tony Daniels had a very productive meeting with the Safety team at the Federal Railroad Administration (FRA) in Washington, DC.
- The next Board meeting will be on December 3rd in San Jose.
- Mr. Morshed reminded the members that an email was sent to the Board recommending 2009 Board meetings be held on the second Thursday of each month. He asked that it be discussed at the next Board meeting in December.

Member Lindsey stated he has put a call in to the CTC, however all executive staff is currently in China for the Bay Bridge project and would not return for a week. Because of this, he was not able to get an answer for Executive Director Morshed on whether or not the CTC would be able to add the Authority to their agenda. Member Lindsey stated the delay in the submittal of the updated business plan might put a delay on the CTC's approval of Prop 116 money.

Chairman Kopp stated the Authority staff will proceed with work on the updated business plan as quickly as possible. Chairman Kopp also asked Member Lindsey when the next CTC Board meeting would take place. Member Lindsey stated the next meeting was October 29-30, 2008 in Sacramento.

University of Berkeley Land Use/Transit Oriented Development Study

Deputy Director Dan Leavitt and Professor Elizabeth Deakin from UC Berkeley presented a report on a study currently underway focusing on the potential for Transit Oriented Development in the Central Valley. This report is available upon request.

Economic Impact of the California High Speed Rail in the Sacramento/Central Valley Area

Professor Shawn Kantor from the University of California Merced presented his report on the Economic Impact of the High Speed Train in the Sacramento/Central Valley area. Professor Kantor's report is available upon request.

Fresno Rail Consolidation Study

Sandy Stadfeld presented an overview of the Fresno Rail Consolidation Study currently underway. Mr. Stadfeld's presentation is available upon request.

Siemens Presentation

Frank Guzzo from Siemens presented an overview of Siemens' progress in high-speed train technology. Mr. Guzzo's presentation is available upon request.

Public Comment

An opportunity for public comment was provided during each public agenda item.

An opportunity for public comment was provided after all agenda items were heard.

Meeting adjourned at 12:00pm